



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
- - - - - X

UNITED STATES OF AMERICA :
- v. - :
PAUL GREENWOOD, :
Defendant. :
- - - - - X

CONSENT PRELIMINARY ORDER OF
FORFEITURE/MONEY JUDGMENT

09 Cr. 722 (MGC)

WHEREAS, on or about July 24, 2009, PAUL GREENWOOD (the "defendant"), was charged in a six count Indictment 09 Cr. 722 (MGC) (the "Indictment") with conspiracy to commit securities and wire fraud, in violation of 18 U.S.C. § 371 (Count One); securities fraud, in violation of 15 U.S.C. §§ 78j(b) and 78ff, 17 C.F.R. § 240.10b-5, and 18 U.S.C. § 2 (Count Two); commodities fraud, in violation of 7 U.S.C. §§ 60(1) and 13(a)(2) and (5), and 18 U.S.C. § 2 (Count Three); wire fraud, in violation of 18 U.S.C. §§ 1343 and 2 (Counts Four and Five); and money laundering, in violation of 18 U.S.C. §§ 1957 and 2 (Count Six);

WHEREAS, the Indictment included a forfeiture allegation as to Counts One, Two, Four and Five seeking forfeiture to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. 2461, of all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses alleged in Counts One, Two,

Four and Five of the Indictment, including but not limited to at least \$131,000,000 in United States currency, in that such sum in aggregate is property representing the amount of proceeds obtained as a result of the charged securities and wire fraud offenses;

WHEREAS, the Indictment also included a forfeiture allegation as to Count Six seeking forfeiture to the United States, pursuant to 18 U.S.C. § 982, of all property, real and personal, involved in the money laundering offenses and all property traceable to such property;

WHEREAS, on or about July 28, 2010, the defendant pled guilty to Counts One through Six of the Indictment pursuant to a plea agreement with the Government, wherein the defendant admitted the forfeiture allegation, which provided for forfeiture to the United States (1) pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. 2461, of a sum of money equal to at least \$331 million in United States currency, representing (a) the amount of proceeds that GREENWOOD and his co-conspirator Stephen Walsh obtained as a result of the securities and wire fraud offenses charged in Counts One, Two, Four and Five of the Indictment (\$133 million); and (b) the amount of funds improperly used by GREENWOOD and his co-conspirator Stephen Walsh to make an investment in Signal Apparel Company, Inc., which were also obtained as a result of the securities and wire

fraud offenses charged in Counts One, Two, Four and Five of the Indictment (\$198 million); and (2) pursuant to 18 U.S.C. § 982, of all property, real and personal, involved in the money laundering offenses charged in Count Six of the Indictment and all property traceable to such property;

WHEREAS, GREENWOOD agreed to the entry of an order of forfeiture imposing a money judgment against him in the amount of at least \$83.5 million in United States currency, representing the amount of proceeds that he personally obtained as a result of the securities and wire fraud offenses charged in Counts One, Two, Four and Five of the Indictment;

WHEREAS, the Government agreed that the value of any assets or funds disgorged by GREENWOOD in connection with the civil proceedings brought by the U.S. Securities and Exchange Commission and U.S. Commodity Futures Trading Commission against him shall be credited towards the Money Judgment;

WHEREAS, GREENWOOD consents to the imposition of a money judgment in the amount of \$83.5 million in United States currency, representing the amount of proceeds that he personally obtained as a result of the securities and wire fraud offenses charged in Counts One, Two, Four and Five of the Indictment;

IT IS HEREBY STIPULATED AND AGREED, by and between the United States of America, by its attorney, Preet Bharara, United States Attorney, Assistant United States Attorney Benjamin

Naftalis, of counsel, and the defendant, and his counsel,
Frederick P. Hafetz, Esq. that:

1. As a result of the offenses charged in Counts One, Two, Four and Five of the Indictment, to which the defendant pled guilty, a money judgment in the amount of \$83.5 million in United States currency shall be entered against the defendant (the "Money Judgment").

2. Pursuant to Rule 32.2(b)(4) of the Federal Rules of Criminal Procedure, upon entry of this Consent Order of Forfeiture, this Order is final as to the defendant, PAUL GREENWOOD, and shall be deemed part of the sentence of the defendant, and shall be included in the judgment of conviction therewith.

3. All payments on the Money Judgment shall be made by postal money order, bank or certified check, made payable, in this instance to the United States Marshals Service, and delivered by mail to the United States Attorney's Office, Southern District of New York, Attn: Asset Forfeiture Unit, One St. Andrew's Plaza, New York, New York 10007, and shall indicate the defendant's name and case number.

4. Upon execution of this Order of Forfeiture, and pursuant to 21 U.S.C. § 853, the United States Marshals Service shall be authorized to deposit the payments on the Money

Judgment in the Assets Forfeiture Fund, and the United States shall have clear title to such forfeited property.

5. Pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, upon entry of this Order, the United States Attorney's Office is authorized to conduct any discovery needed to identify, locate, or dispose of forfeitable property, including depositions, interrogatories, requests for production of documents and the issuance of subpoenas, pursuant to Rule 45 of the Federal Rules of Civil Procedure.

6. The Court shall retain jurisdiction to enforce this Order, and to amend it as necessary, pursuant to Rule 32.2(e) of the Federal Rules of Criminal Procedure.

7. The Clerk of the Court shall forward three certified copies of this Order to the United States Attorney's Office, Southern District of New York, Attn: Sharon Cohen Levin, Chief, Asset Forfeiture Unit, One St. Andrew's Plaza, New York, New York 10007.

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8. The signature page of this Order may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

AGREED AND CONSENTED TO:

PREET BHARARA
United States Attorney for the
Southern District of New York

By:

Ben.

BENJAMIN NAFTALIS
Assistant United States Attorney
One St. Andrew's Plaza
New York, NY 10007
Tel.: (212) 637-2456

12/3/14

DATE

PAUL GREENWOOD, DEFENDANT

By:

Paul R. Greenwood

PAUL GREENWOOD

12-3-14

DATE

By:

Frederick P. Hafetz

FREDERICK P. HAFETZ, ESQ.

SUSAN NECHELES, ESQ.

~~TRACY SIVITZ, ESQ.~~

HAFETZ NECHELES & ROCCO

Attorneys for the Defendant

500 Fifth Avenue, 29th Floor

New York, NY 10110

Tel. (212) 997-7595

12-3-14

DATE

SO ORDERED:

Miriam Goldman Cedarbaum

HONORABLE MIRIAM GOLDMAN CEDARBAUM
United States District Judge

December 3, 2014

DATE